COMPTROLLER'S OFFICE, }
ALBANY, December 16, 1850.

The Legislature:—
The Comptroller, in obedience to chapter 350, laws of 1847, has the honor to submit to the Legislature the following report, exhibiting the state of the trensury and the condition of the funds, at the termination of the fiscal year which expired September 30, 1850.

The several funds haloming to the September 30, 1850.

count of which is presented in this report, are the General Fund, the Canal Fund, the Literature Fund, the Common School Fund, the United States Deposit Fund, the Sinking Funds, established for the payment of the public debt, the Bank Fund, and certain trust funds, to which reference will be

Amount of warrants drawn

Viz :-- \$12,701 32 School Fund... \$12,701 32 Bank Fund... 622 40 U. S. Deposit Fund 4,880 86 18,204 58 Amount transferred to the General Fund Sinking Fund, for interest on State stock paid from said fund. Amount of warrants drawn

on the treasury, which remained unpaid on the 30th September, 1849. . . . 148 73 -\$826,720 29

Surplus of revenue on the 30th September, 1850. \$54,521 28 General Fund is in a healthy condition, and has been found sufficient to meet all the demands upon

1.026 66

been found sufficient to meet all the demands upon the treasury during the year. There remained on hand at the close of the year a surplus of \$51.521 28. The surplus on the 30th of September, 1849, was \$113,279 22, from which it appears that the ordinary expenditures exceeded the receipts of the last year \$58,757 94.

It will be observed, that there is due to the General Fund revenue, from the General Fund Sinking Fund, on account of advances made in 1846, a balance of \$54,506 24, which should be refunded immediately by transferring to the School Fund, an investment of its capital, an equal amount of the Bank Fund Stock, owned by the Sinking Fund.

Fund.

For this purpose it becomes necessary that the Legislature authorize the transfer to be made. It will furnish a safe investment of the capital of the School Fund, and the Comptroller concurs in the recommendation made by several of his predecessors, that a law be passed conferring the necessary

sors, that a law be passed conferring the necessary authority.

The Comptroller continues to entertain the opinion expressed to the Legislature, at its last session, that the resources of the General Fund, as now constituted, will prove sufficient to provide for all the legitimate expenses of government, without a resort to further loans or increased taxation. But it must not be disguised, that this opinion rests upon a belief that prudence will be observed in exercising the power of appropriation. A just and enlightened discrimination should be shown, in authorizing new objects of expenditure.

In addition to the surplus on hand, it is assumed in the estimate, herewith submitted, that the ordinary revenue for the present fiscal year will be \$672,630 57.

The principal revenues of the general fund are

4672,630 57.

The principal revenues of the general fund are derived from the State tax, the auction duties, and the centribution of \$200,000 per annum from the canal tolls. The proceeds of the State tax may be materially increased by such a revision of the laws regulating taxation, as will ensure a full and equitable valuation of the taxable property of the State. Further experience has served to confirm the soundness and importance of the suggestions on this subject, communicated to the last Legislature in two reports from this office. (See Assembly Documents No. 8 and of the suggestions on this subject, communicated to the last Legislature in two reports from this office. (See Assembly Documents No. 8 and No. 182.) The present law is correct in the principle laid down for estimating the value of property; but some of its most important provisions are practically disregarded. All personal property, (with certain specified exceptions,) is subject to taxation, yet it is notorious that a large amount of personal capital, having ac claims to exemption, escapes assessment. The law requires that all real estate (as well as personal,) should "be estimated by the assessors at its full value, as they would appraise the same in payment of a just debt due from a solvent debtor." In the city of New York, and in some of the counties, full effect is given to the law, by estimating the taxable property at its actual value. But in many counties this plain and essential provision is utterly disregarded. A system of undervaluation has been adopted and carried out in practice from year to year, until it has grown into a custom too general to yield to the force of statutory requirements. It is safe to assume, that in a majority of the counties, the average valuation of real estate, as returned by the assessors, is less than one half the actual cash or market value. In some localities, farms worth forty dollars per acre, are assessed at twelve or fifteen dollars per acre, are assessed at twelve or fifteen dollars per acre, are assessed at twelve or fifteen dollars per acre, are assessed at twelve or fifteen dollars per acre, are assessed at twelve or fifteen dollars per acre, are assessed at the law of the treasury.

It is of the first importance, that a uniform prin-

subversive of public morality, destructive of that equality which should be preserved between individuals and counties in the imposition of public burthens, and extremely prejudical to the interests of the treasury.

It is of the first importance, that a uniform principle of valuation should be enforced throughout the State. The justice and equity of this proposition, are so obvious as to command universal assent; and we cannot doubt that it will be cheerfully acquiesced in by our citizens.

But while some counties reduce their assessments to less than half the true value, other counties are constrained to adopt the same usage as the only means of self-defence, until at length the assessors yield to local influences, and the force of precedent becomes stronger than the positive injunctions of the law. The evil here adverted to requires the early attention of the Legislature. The Comptroller would recommend that the entire law, regulating assessments and taxation, may be made the subject of careful review and revision. In addition to, the usual cath of office, the assessors should be required, after completing their assessments, to make a further oath that all the taxable property of the town has been estimated at its full value, according to their best judgment. The Comptroller would also suggest that some new provisions of law are needed to regulate the assessment of corporations. Much embarrassment has been experienced by assessors, and by this department, in consequence of the inapplicability of the Revixed Statutes to new classes of corporations of recent origin and developement. A comprehensive, equitable and well defined system for the assessment of the capital of railroad, plankroad, telegraph, and insurance corporations, is deemed indispensable.

It is thought proper to make these suggestions on the subject of assessments in this connection, because of their immediate bearing on the future condition of the General Fund. It may safely be cause of their immediate bearing on the future condition of the Saf

amounting to 655,319. These lands, under the act of 1860, providing for the sale of lands for unsuld taxes in the counties where they were assessed, must be sold by the county treasurers on the first Tues'any of December, 1852, when the amount due on them will be restored to the treasury.

At the tax sale of 1848, the Comptroller reserved from sale certain lands on the Buffish, Cattaraugus and Allegany reservations, by reason of legal proceedings commenced by pre-emption owners to contest the validity of the tax. The amount due the treasury for advances on the lands thus reserved, which must be realized either from a sale of the lands, or a call upon the counties, is computed at 491,000. The Comptroller had hoped for an early decision of this important question. But the hearing has been delayed, and the case is still pending before the Supreme Court. The Attorney General is making a praise worthy effort to expedite the proceedings, and a decision will doubtless be obtained before advertising for the tax sale of 1852. At the sale of 1848, the Comptroller, for want of bidders, bought in for the State certain lands, at the amount of the taxes thereon, being \$30,025 94. There remains unredesmed \$25,000 will be realized from the redemption or re-sale of these lands. In the last annual report from this office, the Comptroller called the attention of the Legislature to the accounts between the State treasury and the city of New York. The books of this department exhibited a balance against the city treasury of \$113,716 21, consisting chiefly of certain taxes on mutual insurance companies returned to the Comptroller by the Chamberlain of the city in the years 1845, 1846, 1847 and 1848, and this balance was increased to \$132,307 95, by similar returns of taxes for the year 1849. Doubts were entertained as to the legal liability of mutual insurance companies to taxation on their accumulated funds, and for this reason my predecessors refused to credit these returns.

returns.

The last legislature, (chap. 186, Laws of 1850) provided for an equitable settlement of the accounts between the State Treasury and the city and county of New York. A proceeding was then pending between the Sun Mutual Insurance Company and the city corporation, involving the validity of the between the State Treasury and the city and country of New York. A proceeding was then pending between the Sun Mutual Insurance Company and the city corporation, involving the validity of the tax, and a decision had been given by a single judge adverse to the city. The case was subsequently carried before the Supreme Court, and fully argued at the last May term, when the previous decision was reversed, and the legal liability of this class af corporations to taxation on their investments of i capital was affirmed by the court Regarding this judicial decision as of binding authority, the Comptroller has deemed it his duty to admit the returns and place the amounts to the credit of the city treasury, in pursuance of section 20, title 4, chapter 13, part 1, Revised Statutes. A final and satisfactory settlement has been effected with the Comptroller and Chamberlain of the city since the close of the liscal year. Certain returns conceived to be irregular and unauthorised, and amounting to \$26,070 57, were rejected by the Comptroller, and that amount has been paid into the State treasury by the city Chamberlain. The returns admitted by the Comptroller have been placed in the hands of the Autorney-General, who will proceed to recover the taxes in the manner prescribed by law, unless such proceedings should be rendered unnecessary by voluntary payments. The balance due on these returns is \$106,237 38. Several of the corporations have failed since the imposition of the tax, but a majority of them are represented as prosperous, and it is estimated that at least \$60,000 will be realized.

The Comptroller is of opinion that, in addition to the current or accruing revenues anticipated in the regular estimates, the General Fund will realize from the resources and balances above referred to, in the year, 1851 and 1852, at least \$350,000, and probably over \$4400,000.

If the Legislature should deem it expedient to make appropriations for new objects of utility and beneficence, the time and amount of such expenditures should be

government.

For a detailed exhibit of the receipts and payments on account of the general fund, and the other funds during the last year, reference is made to the statements hereto annexed, marked A stalemen

Amount of warrants drawn on

277 01

mount or warrants grawn on the treasury, on account of all the funds. (except the Canal Fund) during the year ending on the 30th September, 1850, (see statement B)...... 2,455,275 90 mount of warrants drawn a.

Balance in the treasury on the 30th Sep-

2,495,424 63 Less amount of warrants drawn on the treasury remaining unpaid on the 50th Septem-ber, 1850....

Halance in the treasury of the tember, 1860.

Statement of balance due from and to the Treasure 30th September, 1860.

To the Behool Fund.—
Capital. \$152,179 53

Revenue. 137,524 07 To the Literature Fund:— Capital...... \$3 068 78 To the U. S. Deposit Fund.

To the General Fund Revenue. Estimated Revenue, applicable to the ordinary

expenses of government for the fiscal year, com-mencing on the lst of October, 1850. State tax, after deducing advances to county treasurers, for non-resident

State tax, after deducting advances to county treasurers, for non-resident taxes. \$300,000 00

Appropriation from the surplus revenue of the canals, for the support of government, 200,000 00

Auction duty, 85,000 00

Salt duty, after deducting the expenses of the Onendaga Salt Springs, 15,000 00

Arrears of county taxes, and interest 40,000 00

Pediers' licenses, 1,700 00

Taxes on foreign insurance companies, 500 00

Fees of the Secretary's office, 1,800 00

Fees of the Comptroller's office, 1600 00

Fees of the Clerk's office of the Coart of Appeals, 1000 00

Appeals,
Sales of lands,
Tolls on Cayuga Lake Inlet,
Lyry and county of New York, on settlement of account for State tax, Estimate of the ordinary expenses of Government, for the fiscal year, commencing 1st October, 1850. Salaries of the officers of government,

including clerk hire.

Salaries of the Judges of the Court of Appeals, and the Judges of the Supreme Court.

Salary of the Clerk of the Court of Appeals, and clerk hire.
Legislature, compensation of members and officers.
Contingent expenses of the Legislature

Contingent expenses of the Legislature and the public offices.

Expenses of the Capitol.

Expenses of the State Hall.

Expenses of the State Hall.

Expenses of the State Cabinet of Natural History.

Expenses of the State Library.

Expenses of the State Library.

Expenses of the State Library.

Expenses of the State Lunatic Asylum, and support of insane couviets.

Expenses of the State Prisons, exclusive of erections, improvements, &c.

Commissary's department.

Printing for the Legislature.

Miscellaneous printing and engraving.

Deaf and Dumb.

Blind.

Hospital, New York.

Hospital, New York
Foreign poor, New York
Orphan Asylum, New York
Orphan Asylum, Prince street, N. York
Orphan Asylums
House of Refuge, Western New York
Society for the Reformation of Juvenile
Delinquents, New York
New York Dispensaries
Brooklyn City Dispensary
Dispensary connected with the Albany
Hospital
Colored Orphan Asylum, New York
Agricultural Societies

Agricultural Societies... Postage of official letters, &c.... Rent and taxes of the house occupied by the Governor.
Apprehensions of fugitives from justice. Committee to examine the accounts of the Treasurer, and the Camal Banking Departments.

Contingent expenses of the Court of Appeals and the Supreme Court.

Costs of suits, fees, &c.

Transportation of the journals and documents of the Legislature, &c.

Incidental expenses of the regents of the University.

Improvement of Racket river.

Improvement of the upper waters of the Hudson river.

Incidental expenses of government and

2 000 00 Hudson river
Incidental expenses of government, apprehension of criminals
Interest on loan for purchase of Albany
Bason
Miscellaneous 2,000 00 9 629 27

1,100 00

THE CANAL FUND.

It will be seen that the canals of this State con

G.).

It will be seen that the canals of this State continue to justify the anticipations so frequently expressed by the advocates of a liberal system of public improvements. The gross revenue of the canals during the last fiscal year, including interest on deposits and rents of surplus water, was \$3,486,172 30, being an increase over the receipts of the preceding year of \$43,265 68. (See statement marked D.)

The amount received for canal tolls during the last season of navigation, as far as yet ascertained, was \$3,276,903, being an increase of \$8,677 upon the tolls of 1849.

It is proper to state that the receipts for the fiscal year ending September 30, 1850, fall below the estimate of the commissioners of the Canal Fund at the commencement of the year, \$55,827 70

A considerable reduction of tolls on some leading articles of tonnage was made by the Canal Board before the opening of navigation. It is believed that these reductions produced a considerable increase in the canal trade, without any diminution of the aggregate revenue. An interesting question arises, how far the policy of reduction can be carried without impairing the revenue. In considering this subject, the vast importance of ensuring the completion of the enlargement of the Eric canal should be kept constantly in view. As a limited proportion only of the surplus revenues can be applied to this work, under the provisions of the constitution, a policy should be pursued which will place the revenues at the highest attainable point of productiveness.

It was foreseen at an early day that the enlargement would be necessary to maintain a successful competition with rival routes, for the western trade. The experience of the last year tends to confirm this opinion. A considerable diversion of business has been caused already by spening new channels of intercourse. The revenues of the Eric canal will be exposed to serious diminution, by a transfer of trade to other routes, until the cost of transportation shall have been materially reduced, by the comp

ment.

Adopting the last year as a criterion, the present value of the canals is equal to a capital of \$44,170,-108, invested at six per cent interest. The average act income; for the last five years, \$2,518,044 87, which is equal to a capital of \$41,957,414 50 at six

which is equal to a capital of \$41,967,414 50 at six per cent interest.

The entire cost of all the canals, including the expenditure on the Eric enlargement, the Genesee Valley, and Black River canals, to 30th September last was \$35,115,237 75, as exhibited by the accompanying statements, (marked E. 1.)

THE STATE DEET AND THE SINKING FUNDS.

The entire amount of the State debt on the 30th of September, 1850, was \$22,530,802 48, exclusive of the contingent debt, (loans to railroad companies, &c.) amounting to \$933,036 16. (See statements marked E 2, and E 3.

of the contingent debt, (loans to railroad companies, &c.) amounting to \$933,036 16. (See statements marked E 2, and E 3.

General Fund State Debt on the 30th of September, 1850, was \$4,339,693 32. The amount required to pay the annual interest on this debt is \$353,071 37.

The amount set apart from the canal revenues, as a sinking fund, to pay the interest and redeem the principal of this debt is \$350,000 per anaum, until the canal debt shall have been extinguished, when the General Debt Sinking Fund will receive \$1,500,000 per annum, until the entire debt shall be discharged. The present sinking fund appropriation is insufficient by \$3,671 37 to meet the payments of annual interest; and this deficiency is previded for from the surplus in the sinking fund, which amounted to \$12,247 08, at the commencement of the present fiscal year.

Of the General Fund Debt, \$1,271.384 93 consists of Comptroller's bonds, bearing 6 per cent interest, which are held by the State as investments of the capital of the Literature, Common School, and United States Deposit Funds.

Although these bonds are payable on demand, (except \$285,000, payable in 1866), it will be observed that the principal cannot be extinguished until after the final discharge of the canal debt, in 1865. In the present state of the money market, means might readily be obtained to discharge this portion of the debt, by a new issue of Comptroller's bonds, bearing 5 per cent interest, which would result in a saving to the General Fund Sinking Fund of \$12,713 84 per annum.

A forther saving of about \$100,000, in premiums, might be effected by issuing a State stock for the amount, psyable after 1865, when the means appropriated by the constitution will become available for the extinction of the debt. Although the Comptroller possesses sufficient authority, under existing laws, to change the form of this part of the public debt in the manner indicated, he has deemed it his duty to refrain from exercising it until the subject should have been distinctly presented to

cent, and has thereby reduced to a small extent the sunual charge.

The question is, whether the rinking fund shall pay six per cent to the school fund and other specific funds, when the money can be obtained from other sources at five per cent, or even a less rate of interest? If the Comparoller's bonds were held by it dividual lenders, there would be no ground of heritation. As they are held by the State, as part of the capital of the specific funds, their payment involves the investment of a similar amount in bonds and mortgages or other securities for the benefit of those funds. It is believed that the money might be safely loaned through the agency of the Commissioners of the United States Deposit Fund, on mortgage security at seven per centing

terest. Loans of this character are subject to some contingencies which must be taken into consideration. The mortgage investments of the United States Deposit Found, after paying expenses and all losses of principal from accruing interest, have yielded a net iscome of over six and one-quarter per cent per annum, for the entire period from 1837 to 1850.

The debt of \$30,000, created for the erection of a new State arsenal in the city of New York, has been discharged from the proceeds of the sale of the old arsenal grounds.

The amount of the canal debt chargeable upon the Sunking Fund created by section 1, article 7, of the constitution, was, on the 30th September. 1850.

\$15,928,523 67 Add, loan to provide for extraordinary repairs, chapter 370, section 2, laws of 1849.

[See statement marked E, 1.]

(See statement marked E, 1.) \$16,171,109 16
The canal debt was reduced during the last fiscal year by the payment of \$436,000 of stock, which fell due on the 1st August, 1850. It was increased by the five per cent Albany basin loan above referred to, \$192,585 49, (which yielded \$203,415 36, being a premium of about five and a half per cent.) making the actual reduction of the debt \$243,—404 51.

The act directing the loan for the debt \$2.35,

The act directing the loan for the purchase of the Albany basin, requires that the interest shall be advanced from the General Fund, until the canal debt shall have been extinguished by the canal frund created by the constitution, when the amount is to be refunded to the General Fund, from the canal revenues.

It becomes necessary for the Legislature to appropriate \$9,629 27 per annum for the payment of interest on this loan.

Amount of the fund on the 30th Sept., \$12,247 08

Amount of the fund on the 30th Sept., 1850...
Balance due the Treasury
on the 30th Sept., 1849. \$104,178 16
Amount paid from the
treasury during the year
ending 30th Sept., 1850,
(see statement B.).... 351,541 90
Amount transferred to the
General Fund revenue
for interest on the balance due from this fund 6,726 18 \$462,446 24 Amount received into the

treasury during the year ending 30th September, 1850,(see statement A).\$406,913-34 Amount transferred from the General Fund reve-nue for interest on \$30,-000 of debt, created for the erection of the New York arsenal, paid from this fund in 1849..... 1.026 66

407 940 00 Balance due the treasury 30th Sept , Balance due the treasury 30th Sept., 1850, (see statement above)......

CANAL DEBT SINKING FUND.

Received, viz:—
Balance on hand 30th Sept., 1849....

Transferred from the revenues of the State canals, onder article 1, § 1, of the constitution.....

Transferred premiums on loans, under chap. 370, § 1, Laws of 1850....

Transferred the unexpended balance of loan, to pay debts due prior to 1st July, 1846, under chap. 376, § 2, Laws of 1850..... \$54,506 21

215,610 76

Paid, viz:--For the redemption of Canal stocks, or the recomption of Canal Stocks, viz:—
7's of 1849. \$74,048 00
5's of 1859. 15,114 00
5's of 1850. 392,724 64
Accrued interest. 1,636 34 481,422 98 For expenses of transfer office, viz:
To the Manhattan co. \$1,250 00
To Walter Mead, ag't
To Geo. F. Nesbitt,

For interest on the Canal debt..... For debts due prior to 1st July, 1846, under chap. 375, § 2, Laws of 1850. 861,211 00 84,715 52

\$1,759,357 70 The above balance is applicable as follows, viz:—
To redeem 6's of 1837, outstandingdo. 7's of 1848, do.
do. 5's of 1850, do. 600 00 43,275 36 Total outstanding, paying no For the fiscal year 1850-51....

\$326.823 20 LITERATURE FUND—CAPITAL.

This fund consists of the following items, viz:—

under the act to provide for the deficiencies in the sinking funds, re-deemable 1st July, 1855, 54 per cent..... 37,000 00

Cemptroller's Bonds:—
Comptroller's bond, No. 2, issued per chap. 225 Laws of 1849, redeemable 1st July, 1866, 6 per cent.
Bank Fund Stock:—
Cettificate No. 338, issued on account of the Bank Fund, redeemable 1st February, 1858, 6 per cent.
Insurance Stock:—
100 shares in the Albany Insurance Company, at \$60 each.
Bank Stock:—
23 shares in the Canal Bank, Albany, \$20, each.
Money in the Treasury.

\$272,880 12 Balance in the Treasury, on the 30th of Sept., 1849. \$18,508 96 Amount received into the Treasury during the year ending 30th Sept., 1850, (see statement A.)...... 39,439 16

Amount paid out of the Treasury during the year ending 30th Sept., 1850, (see statement B.) Salance of revenue in the Treasury on

current year as follows, viz. —
Interest on State Stock...

do Comptroller's Bond...

do Bank Fund Stock...

do money to be invested.... Appropriation from the income of the U.S. Deposit Fund 25,000 00

Estimated expenses for the same period, vi

fund resulting from these investments will be made good by the premium obtained on the Mer-chants Bank stock. The proceeds of the sale re-ferred to have been invested in Bank Fund stock, bearing six per cent interest, redeemable in 1856. Amount transferred from the general fund revenue for interest on treasury depo-COMMON SCHOOL FUND.

213,200 96 Comptroller's bonds:—
Amount of bonds issued for loans to tressury, payable on demand, 6 per cent...\$551,645 49
Amount of bonds, Nos. 3,
4, 6. 8, issued per chapter 225, laws of 1849, redemable in 1866, 6 per cent 320,300 00
Balance due on bonds, issued to the College of Physicians and Surgeons, New York, the payment of which has been assumed by the trustees of Union College, 6 per cent...... 13,036 16 Comptroller's bonds: Bank steck:-One thousand shares in the Manhat-\$2,290,673 23 See statement C for the increase and diminution of the capital of this fund.

Balance in the treasury on the 30th September, 1849......\$162,762 03 Amount received into the treasury during the year ending 30th of September, 1850. (See Satement A) 288 000 78 year ending 30th of September, 1850. (See Satement A)...... 288,000 78

Amount transferred from the General Fund Revenue for interest on money in the treasury, during the year, per chapter, laws of 1849..... 12,701 32

Amount paid out of the treasury during the year ending 30th of Sept , 1850. (SeestatementB) 325,493 46 Amount transferred to the Book Fund, for interest on Comptroller's bonds due at the time of trans-fer of said bonds to this fund..... 536 60

\$296,350 00 Estimated payments for the same period, viz :— Common school dividends.....\$285,000 0)

tion.

Loan of 1792 and 1809.

The Loan Commissioners have proceeded, with commendable diligence and fidelity, in executing the act, passed April 10, 1850, requiring these loans to be closed by transferring the mortgages, under certain conditions, to the Commissioners of the United States Deposite Fund. On the 30 of September there was still outstanding, on the loan of 1792, \$17,982 86, and on the loan of 1808, \$21,757 81. These amounts have been considerably reduced since that day. But it is ascertained that some losses will be sustained from failures of title, insufficiency of security and delinquencies of commissioners in former years.

Every effort has been made to secure the amounts thus placed in jeopardy. For a portion of the deficiency, the counties are liable to the State, under the original acts and the subsequent provisions embodied in the Revised Statutes.

It is for the Legislature to determine to what extent this liability shall be carried. The loss to the capital of the Common School Fund, when definitely ascertained, should be restored from the accumulation of revenue now in the treasury. After the passage of the act of April 10, 1850, instructions were issued to the Loan Commissioners, from this office, of which a copy is hereto annexed, (marked G.)

UNITED STATES DEPOSIT FUND.

The capital of this fund is believed to be in a sound and healthful condition. The original investment of principal being \$4.014,520 71, has been preserved entire, all losses having been restored to the capital by the transfer of an equal amount from the capital terrains.

the capital by the transfer of an equal amount from the current revenue.

It was shown in the last annual report from this office that the appropriations made by the Legislature, including special grants to literary institutions, exceeded the revenue by \$23,883 53. This deficiency has been reduced to \$8,913 64 at the close of the last fiscal year. It is estimated that the revenues of the present fiscal year, after paying all existing appropriations, including the ordinary distribution to common schools and academics—\$10,000 for the Normal school, and \$3,000 to asademics for instruction of common school teachers,

\$10,000 for the Normal school, and \$3,000 to asademies for instruction of common school teachers, will leave a surplus of \$11,446 36 at the disposal of the Legislature.

It is hoped that the income of the fund for the current year may be increased beyond the estimates, by the efforts of the commissioners to dispore of the remaining lands bought in for the State on foreclosure of mortages. A circular was issued from this office in March last, (of which a copy is hereto annexed, marked H.) urging the commissioners to effect sales of these lands as speedily as practicable, and to take proper steps for the recovery of deficiencies due the State on account of this fund. Express authority should be given to the Comptroller to compromise and settle with insolvent or embarrassed debtors for balances remaining due to the Deposit Fund after a sale of the mortgaged property.

UNITED STATES DEPOSIT FUND.

the mortgaged property.

UNITED STATES DEPOSIT PUND.

Capital. (See statement I)

This fund consists of the following items, viz:—

Loans on mortgages in the several counties \$3,490,887 36

State stock, redeemable 1st January, 142,500,00 State stock, redeemable 1st January, 1855, 5 per cent. 142,500 00
State stock, redeemable 1st July, 1860, 6 per cent. 1,100 00
Comptroller's bonds, payable on demand, at 6 per cent. 334,739 44
Money in the treasury 45,293 91 \$4,014,520 71

Revenue. minution in the loans un-der foreclosure of mort-gages and failure of title

9,332 70 Amount received into the treasury during the year ending 30th Sept., 1850, (see statement A)..... 255,328 85

Amount transferred from the capital for payment into the treasury, errone-ously applied as principal 18 33 260,228 041 Deficiency in the revenue on 30th
Sept, 1b50,
Appropriations from the income of this fand for
1850, which remained unpaid on the 30th Septem-Geneva College,...
Madison University,...
Hamilton College,... \$7,500 00 Which shows an excess of appropriations by the Legislature, from the income of the United States Fund for the last fiscal year, of \$16,413 64.

The revenue of this fund is estimated for the current year, as follows:—
Interest on the amount loaned on mortgage in the counties, \$218,000 00 Interest on State stock, 7,191 00 Interest on Comptroller's bonds, 20,084 00 Interest on money in the treasury, to be invested, 1,585, 00 Sales of lands, 10,000 00 7,191 00 20,084 00 \$256,860 00 Estimated payments during the s Estimated payments during the saviz:

Amount of balance due the treasury
Amount of appropriations for 1850,
which remained unpaid on the 30th
September last
Common schools.

Amount to be added to the capital of
the School Fund,
Academies,
Normal School
Academies for instruction of common
school teachers. \$8,913 64 3,000 00 \$245,413 64 Foreclosures of Mortgages in the several Counties Foreclosures of Mortgages in the several Counties by the Commissioners of the United States Depo-sit Fund.

The following is a list of mortgages under fore-closure, of which the premises were bid in for the State, and remained unsold by the Commissioners of the Land Office, on the 30th September, 1850:— Principal Principal due at time of sale. | No of Mortgage | Strome | 32 No of When \$600 00 275 00 301 60 1,266 00
300 00
1,100 00
160 00
1,000 00
800 00
800 00
930 00
800 00
300 00
348 00
1,340 00
3,000 00
2,000 00
3,000 00
1,000 00
1,000 00 463,554 13 Saratoga.....Suffolk.... 326,010 06

400 00 3,000 00 500 00 250 00

Ulister 16 1839 400 00
Westchester 88.43 1841 3,000 00
" 62 1843 500 00
Wyoming 194 1845 250 00
THE BANK FUND.

During the last necal year the Comptroller redeemed \$135,850 of the Bank Fund stock from the means on hand belonging to the fund. Of this amount, \$35,850 was received in pursuance of chapter 332, laws of 1850 The State stock held on account of this fund, bearing 5 per cent interest, was sold, and the proceeds applied in redeeming six percent Bank Fund stock, by which a gain was produced to the fund of \$1,806 for premiums and discount, besides an annual saving of \$350 from the difference of inferest.

The Comptroller has issued Bank Fund stock to the commissioners of the Ganal Fund for the balance due from the Watervliet Bank to the Canal Fund, amounting on the 23d of September last, to \$72,059
31 Including this sum, the amount of bank fund stock outstanding on the 30th September, was \$715,905 33. Since the closing of the hacal year, stock to the amount of \$5,424 78 has been issued to the remaining creditors of the Watervliet Bank, which is believed to include all outstanding demands against that bank. A large claim was held by the receiver of the Canal Bank of Albany, but doubts were entertained as to its validity, and the question was submitted, by mutual consent, to William L. Marcy, as sole referes. After a patient and laborious investigation, he rejected the principalitem, amounting to over \$30,000, and decided that the actual balance due from the Watervliet Bank to the Canal Bank is only \$2,276 50, for which sum stock has been issued to the receiver.

Assuming that the bank's continue to pay their annual contributions of \$100,000, and the pay their annual contributions of \$100,000,000, and the pay their annual contributions of \$100,000,000,0

Fund. In addition to the

Fund. In addition to these contributions, there remains a mass of miscellaneous assets of the City Benk of Buffalo, the Commercial Bank of Buffalo and the Watervliet Bank.

The amount to be realized from these deplorable concens depends, in some degree, upon the result of certain litigations still pending. It is believed, however, that with proper diligence, about \$50,000 may be recovered from the assets referred to. The Comptrollor has made every practicable effort to secure some returns from them, and with some effect, but he regrets to say that his success hand to been commensurate with his endeavors.

Since the close of the fiscal year, a final settlement has been made with the receiver of the Commercial Bank of Oswego, and the balance in his hands being \$1,644 33, has been paid into the fund.

An important question has been raised in relation to the liability of the banks to An important question has been raised in relation to the liability of the banks to pay the annual contribution of \(\frac{1}{2} \) per cent on their capital for the last year of their duration. The Comptroller and his predecessors have entertained no doubt on this predict of the lamb of Monroe contested the variety banks, without dispute, until the Bank of Utica and the Bank of Monroe contested the variety of the claim. The charters of these banks continued in force "ustil the first day of January, 1850." The Safety Fund act and the act of April 12, 1842, require every moneyed corporation subject to the act to contribute one-half of one per cent on its capital "on or before the first day of January in each year."

The ground assumed by the trustees of the banks referred to is, that as their charters actually expired with the year 4849, they were not liable to make the contribution, payable "on or before" the first day of January, 1850. Some other banks, which made the last payment voluntarily, now claim to have the money refunded, on the principle that it was paid under a misapprehension of the law.

The question is an important one in its bearing.

that it was paid under a misapprehension of the law.

The question is an important one in its bearing upon the ultimate sufficiency of the bank fund. If the remaining Safety Fund banks, fincluding the Bank of Utica and the Bank of Monroe, shall escape the payment of the contribution for the last year of their chartered term, the loss to the capital of the bank fund will be \$132,742 30, and to that extent impair the security of the creditors. It is feared that so large a reduction might render the fund insufficient to provide for the payment of the stock falling due in 1868

The Comproller has considered it hisduty to place the claims against the Bank of Utics and the Bank of Monroe in the hands of the Attorney General, and by mutual consent, the question will be presented to the Supreme Court for decision as early as practicable.

as practicable.

With a view to protect the creditors of the bank.

with a view to protect the creditors of the bank fund, and to guard against future controversies, Comptroller would recommend the passage of a law requiring the banks to pay their contributions on or before the last day of December in each year.

Balance of six percent stock issued, per chap. 114, laws of 1845, on account of the Bank Fund, outstanding on the 30th Sept., 1850, and redeemable as follows:—

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Debt of the Fund on the 30th Sept. \$656,451 79

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To the above is to be added the stock subsequently issued to the creditors of the Watervliet Bank, amounting to \$5,424 78.

The contributions to this Fund, by the several banks, are pledged for the payment of the interest and principal of the above stock. The following statement shows the amount annually payable.